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From: Joelle Burns
To: csanders@andersoneng.com
Date: 4/1/04 3:14PM
Subject: Reclamation Contract - Atlantic Richfield Company

Dear Mr. Anderson:

Per your telephone request today, I am answering your question regarding Atlantic Richfield Company (ARCO) wondering if they could revise the Reclamation Contract to the effect that if the EPA took over this site after ARCO's contract was up, ARCO would not be obligated to reclaim the site.

It is our position that ARCO must finalize the Reclamation Contract(s) in its current language. If another entity (EPA or any other entity) desires to take over the site, they can accomplish that through a formal permit transfer. The new entity would need to post adequate reclamation surety, which would have to be approved for form and amount, before the permit transfer would receive final approval. They would then become the party responsible for all mining and reclamation of the site and ARCO could then be released from any further obligation. At the time the transfer is finalized, the reclamation surety posted by ARCO could then be released back to them.

I hope this answers your question. If you have any further concerns, please contact us.

Sincerely,

Joelle Burns
Engineering Tech
Division of Oil, Gas & Mining